

Real Estate Commission Bulletin

Renewal Deadline is November 30, 2010



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Remember, the renewal deadline for all real estate licensees is **NOVEMBER 30, 2010**. All real estate licenses, course certifications, prelicense school, instructor, and substitute instructor registrations, and continuing education provider registrations must be renewed by the renewal deadline to be assured that there is no break in the validity of the license or registration.

ON-LINE RENEWAL is already available, having gone LIVE on October 11, 2010. There will be a 25% discount on the Professional and Vocational Licensing Division portion of renewal fees for those licensees who choose the on-line renewal route. There will also be a full discount of the Real Estate Education Fund fee of \$40.00 for all renewing licensees, no matter if renewing online or via a paper renewal application. Information will be posted on the Commission's website, www.hawaii.gov/hirec, click on Real Estate License Renewals.

It is highly recommended that **the licenses/registrations of the brokerage firm, PB, BICs, and RBOs be simultaneously renewed during early November** and prior to renewals of all associating licensees to ensure sufficient time to correct any problems and to ensure successful renewals of associating licensees. If an associating licensee's renewal application is submitted prior to the PB's, BIC's, and brokerage firm's renewal applications, the associating licensee's renewal application will be held in suspense until the PB, BIC(s), and brokerage firm have successfully renewed all licenses.

PBs and BICs should complete all CE requirements immediately as successful renewal includes completion of CE requirements prior to submission of a renewal application.

To re-register a branch office, a BIC's license must also be successfully renewed in addition to the PB's license

and the brokerage firm's license. If the PB's, BIC's, and/or the brokerage firm's license are not successfully renewed **prior** to the associating licensees, the license renewal applications of all associating licensees will be placed on "suspense" and renewed on **inactive** status come January 1, 2011.

Whether license renewals are handled by the individual licensee or the brokerage firm, the PB is responsible for the associating licensee's current and active status. It is recommended that PBs ensure all associating licensees are current and active by requiring all licensees to submit a photocopy of their 2011-2012 pocket license prior to December 31, 2010. **REMEMBER**, by January 1, 2011, licenses which are not renewed are converted to a forfeited status. If this conversion takes place, disciplinary action may occur and the consumer may recover all commissions and/or compensations paid.

RENEWING ON ACTIVE STATUS: Individual licensees who wish to renew their license on active status need to complete 10 hours of approved continuing education (CE) courses. Licensees are required to take the 2009-2010 mandatory core course, which consists of Part A and Part B. The CE completion certificates do not have to be submitted with the renewal application unless otherwise instructed. All CE courses should be completed in advance of the date of submission of the renewal application or the license may be renewed on an inactive status. Any individual licensee who has renewed but failed to complete the CE requirement will be renewed on an inactive status without further notice.

CE RECORDS: Upon completion of a CE core or elective course(s), the course completion information will be downloaded to the Commission's Online Real Estate Continuing Education database by the CE Provider who

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offered the course. Course certificates may be printed by the licensee, if necessary.

http://pvl.hawaii.gov/rece A principal broker or licensee may verify if a licensee has completed the 10 hours CE requirement, the specific courses completed, the number of CE hours required, the number of CE hours earned, and the number of CE hours remaining to complete the CE requirement.

RENEWING ON INACTIVE STATUS: Individual licensees who renew their license on an inactive status do not have to complete the CE requirement but must submit the renewal application and fees by November 30, 2010. An inactive licensee desiring to change to active status shall submit the CE certificates with a completed Change Form and a reactivation fee of \$25.00.

NEW SALESPERSON in 2010: If you were issued a **new salesperson license** in calendar year 2010 and renew your license by the renewal application deadline of November 30, 2010, you will be deemed to have completed equivalent to the CE requirement and will not have to complete the CE requirement for this license renewal only. (Note: This does not apply to new brokers who received their broker's license in 2010.)

CANDIDATES FOR LICENSURE: Subject to compliance with the license application deadline, a candidate for licensure may want to consider being licensed as of January 1, 2011 rather than the remaining months of 2010 and be subject to renewal requirements. Please call the Real Estate Branch (808-586-2643) for additional information.

Use the Online Continuing Education System

The Department of Commerce and Consumer Affairs' Professional and Vocational Licensing Division and the Real Estate Commission encourages nearly 16,000 active licensed real estate professionals to go online and view their continuing education information at <http://pvl.hawaii.gov/rece>.

The "Online Real Estate Continuing Education" system (system) provides Hawaii's real estate licensees the ability to view the number of continuing education ("CE") credit hours required and earned for the current licensing period, their CE history, and to search for future CE courses being offered by approved CE providers. Users can search for courses by provider, by course name, or by downloading an Adobe pdf document which allows the user to print a list of all available future courses. The Hawaii Administrative Rules, Section 16-99-95, states that "...a licensee shall not take a continuing education course that is substantially similar to a course for which the licensee has already received a certificate." This system allows user to make sure they don't take duplicate courses for which they will not receive duplicate credit. To view the complete CE history of an individual licensee, click on the "more" link in the bottom right-hand corner of the "My CE" page. If you are not sure you took a specific CE course previously, the CE history will list all of the CE courses previously completed. At this time, a licensee may not take that specific course again for CE credit.

Via the system, real estate licensees can also access and reprint their own course completion certificates for the current and previous biennia, whereas in the past this needed to be done through the CE providers. Additionally, real estate broker entities can monitor and view the current CE credit hours, CE history, and license status of all their associated licensees. Since its release in August, 2008, a new function also allows brokerages (entities) to download a Microsoft Excel file which includes the license number, licensee name, and the licensee's next renewal date, core credits needed and elected credits needed for all associated licensees. The information provided in this database is especially helpful for monitoring associated licensees during license renewals. The system is updated daily and simple to use.

The development of this online service is part of the state's campaign to improve efficiency by implementing electronic government services. Hawaii's official Internet portal, eHawaii.gov, is managed by Hawaii Information Consortium, LLC (HIC). HIC works with the state agencies to enable them to conduct state business online and improve public access to government information.

For questions or comments, please contact the Real Estate Branch at telephone 808-586-2643, email to hirc@dcca.hawaii.gov, or by direct mail to 335 Merchant Street, Room 333, Honolulu, HI 96813.

The Chair's Message



Wow, 2010 is almost over! Here are a few reminders before you renew your license by the renewal deadline of November 30th.

- 10 hours of CE must be completed; this includes both Core A and Core B for a total of 4 hours, and 6 additional hours of elective continuing education courses
- Principal Brokers must renew their own license first, as well as the brokerage license and any registered branch office's license, before any of the associated real estate licensees can renew their license
- On-line renewals are already available, effective October 11, 2010
- \$40 across-the-board discount – the Real Estate Education Fund fee has been credited to all renewing licensees
- 25% discount of the Professional and Vocational Licensing Division's portion of renewal fees for renewing online (exact amount varies according to the license being renewed)

You must report any liens, disciplinary sanctions, judgments, or convictions within thirty days of notification to the Real Estate Commission as required by Hawaii Revised Statutes Chapter 436B, Professional and Vocational Licensing Act. Recently, the Commission has seen an increase in sanctions against licensees for failing to report a conviction or other action within the thirty days.

The Commission's Laws and Rules Review Committee headed by Chair, Commissioner Frances Gendrano, has the responsibility to oversee the amendments to Hawaii Administrative Rules, Chapter 99, "Real Estate Brokers and Salespersons." The last rule-making

took place in 2001. The public comment period for the current rule-making ended on August 31, 2010. Some of the proposed rule changes will permit licensees to take the same continuing education course as long as the course is not taken in consecutive biennia, the criteria for qualifying for the prelicense education equivalency for salesperson and broker candidates may be more limited, adjustments to administrative requirements for continuing education providers, record keeping requirements for continuing education providers, registration and operations responsibilities for condominium hotel operators, and bond requirements for transient lodging. The commission staff continues to work diligently to expedite the lengthy process of rule making.

The Condominium Review Committee and its Chair, Commissioner Michelle Loudermilk, is working with the Commission staff in drafting new rules for Hawaii Revised Statutes, Chapter 514B, Condominiums. Commissioner Loudermilk's experience and knowledge of the condominium law has been instrumental in overseeing the development of the new rules, which is a tremendous task.

This has been a year for changes in laws that impact the real estate industry. The current Commission core courses, Parts A and B, covered lead-based paint and RESPA changes as well as important reminders of the 10 protected classes under the Hawaii State fair housing laws compared to the 7 protected classes under the Federal fair housing law. As the year draws to a close, please remember to renew your license by November 30th, which provides ample time for the licensing division to timely process the renewals before real estate licenses expire at the end of December. Wishing you all a prosperous year's end and a bright new year.

Administrative Actions

June 2010

Michael D. Volosin

Salesperson-
RS 53769
Case No: REC 2009-44-L
Dated 6/24/10

Allegations: On 10/28/08, a Judgment and Order (DUI or reckless driving) was entered against the Respondent in the Justice Court of Tahoe, County of Douglas, Nevada. The conviction was disclosed in writing to the Commission on 12/18/08 along with the Respondent's license renewal application.

Sanction: Pay an administrative fine of \$500.00.

Violations: HRS §§436B-19(12), (14), (17)

Marshall H. Kaniho

Salesperson – RS 71011
Case No: REC 2008-226-L
Dated 6/24/10

Allegations: The Respondent answered "No" on his January 2008 Application for License – Real Estate to the question, "During the past 20 years have you ever been convicted of a crime where there has not been an order annulling or expunging the conviction?" The Respondent answered the question untruthfully. Within a month of submitting the 2008 application to the Commission, the Respondent amended his answer, on his own and without any prompting, to reflect the truth. The Respondent also disclosed information about any prior convictions he could recall or was aware of (DUI and assault).

Sanction: Pay an administrative fine of \$1000.00.

Violations: HRS §§436B-19(1), (2), (5); HRS §§467-14(13), (20)

July 2010

Peter D. Osborne

Broker – RB 12955
Case No: REC 2006-114-L
Dated 7/30/10

Allegations: In or around 2002, Respondent registered the domain names "bndhawaii.com" and "hawaiihomes.cc" with Network Solutions, LLC. The registration name for the above-referenced domain names with Network Solutions, LLC was changed from Respondent to "Hawaii's 10 Best Vacation Rentals." This web-site offered vacation rentals and list Respondent's name, address and phone number. "Hawaii's 10 Best Vacation Rentals" is not a registered trade name in the State of Hawaii and does not possess a real estate license. Respondent alleges that he is not affiliated with "Hawaii's 10 Best Vacation Rentals." Among the properties listed for rent were Respondent's studio and house.

Sanction: Voluntary license revocation and pay a fine in the amount of \$5,000.00

Violations: HRS § 436B-19(6); HRS §§467-14(8), (20); HAR §16-99-3(b)

Nathalie C. Mullinix

Broker-RB 17596
Case No: REC 2009-94-L
Dated 7/30/10

Allegations: On or about 1/2/2007, a no contest plea judgment was entered against the Respondent, in the District Court of the First Circuit, State of Hawaii (Kaneohe Division), for the crime of driving under the influence. Upon information and belief, the Respondent disclosed the conviction in writing to the Commission via a statement and documents submitted with Respondent's 11/20/2008 license renewal application.

Sanction: Pay an administrative fine of \$500.00

Violations: HRS §§436B-19(12), (14) and (17)

Settlement Agreement (Allegations/Sanction): The respondent does not admit to the allegations set forth by the Regulated Industries Complaints Office (RICO) and denies having violated any licensing law or rule. The Respondent enters in a Settlement Agreement as a compromise of the claims and to conserve on the expense of proceeding with a hearing on the matter.

Disciplinary Action (Factual Findings/Order): The respondent is found to have violated the specific laws and rules cited, and the Commission approves the recommended order of the Hearings Officer.

Statutory/Rule Violations

(The laws and rules cited above as possible violations and actual violations found, as the case may be, are listed in an abbreviated form. To view the specific laws and rules in their entirety, please go to the Commission's website at www.hawaii.gov/hirec)

- §436B-19(1) Failure to meet or maintain the conditions and requirements necessary to qualify for the granting of a license.
- §436B-19(2) Engaging in false, fraudulent, or deceptive advertising, or making untruthful or improbable statements.
- §436B-19(5) Procuring a license through fraud, misrepresentation, or deceit.
- §436B-19(6) Aiding and abetting an unlicensed person to directly or indirectly perform activities requiring a license.
- §436B-19(12) Failure to comply, observe, or adhere to any law in a manner such that the licensing authority deems the applicant or holder to be an unfit or improper person to hold a license.
- §436B-19(14) Criminal conviction.
- 436B-19(17) Violations of Chapter 467, HRS, or any other rule or order of the licensing authority.
- §467-14(8) Conduct constituting fraudulent or dishonest dealings.
- §467-14(20) Failure to maintain a reputation for or record of competency, honesty, truthfulness, financial integrity, and fair dealing.
- §16-99-3(b) Licensee shall protect the public against fraud, misrepresentation, or unethical practices in the real estate field.

Real Estate Commission 2010 Renewal Workshops

The Real Estate Commission's goal is to make this a successful renewal for the real estate licensees. The renewal workshops are one of the key elements to meet the goal. The workshops provide an opportunity for all real estate licensees, especially brokerage firms, to receive assistance with renewal applications through self-help sessions. Staff will discuss the renewal process, the applications, and red-flag areas with attendees. The workshops will also include a Specialist Office for the Day to answer condominium and other real estate questions not related to licensing renewals. The workshops will begin promptly and will continue until there is no more demand. The open workshops are as follows:

Maui REALTORS Association of Maui, Inc.
441 Ala Makani Pl., Kahului
October 26, 2010
9:30 a.m. – 12:30 p.m.

Kauai Kauai Board of REALTORS
4359 Kukui Grove, Suite 103, Lihue
November 16, 2010
9:30 a.m. – 12:30 p.m.

Kona Kona Board of REALTORS
74-5620 Palani Court, # 106, Kailua-Kona
November 4, 2010
9:30 a.m. – 12:30 p.m.

Hilo Hawaii Island Board of REALTORS
26 Waiuanue Avenue, Hilo
November 18, 2010
9:30 a.m. – 12:30 p.m.

Oahu Honolulu Board of REALTORS
1136 12th Avenue, Suite 200, Honolulu
November 8, 2010
9:30 a.m. – 12:30 p.m.

Oahu DCCA, King Kalakaua Building
Real Estate Branch, Room 333
335 Merchant Street, Honolulu
November 22, 2010
9:00 a.m. – 11:00 a.m.

Completed applications with payment checks will be accepted at the workshops. No cash payments will be accepted. Note: There are other scheduled workshops, which are not included above that have been arranged with brokerage offices or other organizations.

This material can be made available for individuals with special needs. Please call the Executive Officer at 586-2643 to submit your request.

What is Rule-Making?

The Real Estate Commission is at the beginning of Administrative Rules Adoption Procedures, where the existing administrative rules as stated in Hawaii Administrative Rules (HAR) Chapter 99, Real Estate Brokers and Salespersons, are being reviewed, and recommendations made to amend, delete, or create new administrative rules.

The administrative rules apply to all real estate licensees, pre-license schools and instructors, continuing education providers and instructors, continuing education courses, condominium hotel operators, and all licensing procedures from obtaining a license and renewing the license in good standing each biennium.

There are many steps in the Administrative Rules Adoption Procedures (aka rule-making) and many agencies are involved in the review process including the Department of Commerce and Consumer Affairs, the Office of the Attorney General, the Legislative Reference Bureau, the Small Business Regulatory Review Board, Department of Budget and Finance, Department of Business, Economic Development and Tourism, the Lieutenant Governor and Governor's offices, and the public via public hearings.

The Commission provided an open-comment period which expired on August 31, 2010. The proposed changes are currently being reviewed for inclusion in a draft which will then wend its way through the rule-making process. Rule-making may take as long as two years to complete. The last rule-making took place in 2001.

Some of the rules that are being considered include amending the duplicate CE rule, HAR, Section 16-99-95 to allow licensees to take the same continuing education course, but not in consecutive biennia, reducing the number of categories which would qualify a license candidate for the salesperson prelicense education equivalency to a current and active out-of-state license, graduate of an accredited law school, or a bachelor of arts or science degree from an accredited college or university with a major in real estate or business, limiting the broker prelicense education equivalency to a current and active out-of-state license, or graduate of an accredited law school, all prelicense and CE instructors may be required to complete an Instructors Development Workshop prior to teaching in any biennium, and emphasizing random monitoring of continuing education courses, providers, and instructors.

Check the Commission's website at www.hawaii.gov/hirec for updates on rule-making.



Donna Apisa Joins the Commission

Donna Apisa, Broker, Kauai, is the newest member of the Hawaii Real Estate Commission. She represents the island of Kauai. Ms. Apisa is the President and Principal Broker of Oceanfront Realty International, Inc. She obtained her broker's license in 1981, the same year she relocated to Kauai from O'ahu. She holds the CRB, CRS, CFF, GRI, and CEC designations. She is currently the Kauai Director, CRS, Aloha Chapter, president of the Hale Moi Homeowners' Association, and a member of the Legislative Affairs Committee of the Kauai Chamber of Commerce. She is a past president of the Kauai Board of REALTORS, 1993.

Welcome to the Hawaii Real Estate Commission!

Real Estate Commission Meetings And Specialists' Office for the Day

The Real Estate Commission will convene standing committee meetings at the REALTORS® Association of Maui offices located at 441 Ala Makani Place, Kahului, Maui.

Wednesday, November 10, 2010
Laws and Rules Review Committee – 9:30 a.m.

**Condominium Review Committee –
Upon adjournment of the Laws and
Rules Review Committee meeting**

**Education Review Committee – Upon adjournment of the
Condominium Review Committee meeting**

The Commission will also be holding a Specialists' Office for the Day while the meetings are in progress (from 9:30 a.m. to 11:30 a.m.) and by appointment. This will provide real estate licensees, condominium owners, educational providers, or anyone else interested in real estate licensing or condominium issues with an opportunity to meet with the Specialists to discuss their concerns.
(Times and locations may be subject to change.)



State of Hawaii Real Estate Commission

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This material can be made available to individuals with special needs. Please call the Senior Real Estate Specialist at 586-2643 to submit your request.

Continuing Education Providers

Abe Lee Seminars	942-4472	Kauai Board of Realtors	808-245-4049
Akahi Real Estate Network LLC	808-331-2008	KendallTodd Inc.	704-271-1285
All Islands Real Estate School	564-5170	Kona Board of Realtors Inc.	808-329-4874
Americas Best	888-910-5452	Levin & Hu, LLP	808-270-1096
Brian R. Thomas dba Edventures	808-885-2117	Lorman Education Services	715-833-3940
Career Webschool Cengage Learning, Inc.	800-532-7649	Lynn W. Carlson	
Carol Ball School of Real Estate	808-871-8807	Maui Community College-VITEC	808-984-3231
Coldwell Banker Pacific Properties Real Estate School	597-5592	McKissock, LP	800-328-2008
Continuing Ed Express LLC	866-415-8521	Michael A. Abrams	922-3456
Continuing-Ed-online.org	800-925-1502	Pacific One Mortgage Inc.	360-654-4527
Dower School of Real Estate	735-8838	Pacific Real Estate Institute	524-1505
Ecobroker International	800-706-4321	ProSchools, Inc.	800-452-4879
Eddie Flores Real Estate Continuing Education	951-9888	Ralph Foulger's School of Real Estate	239-8881
ERA School of Real Estate a Division of SRH Inc.	808-981-0711	Realtors Association of Maui Inc.	808-873-8585
Fahrni School of Real Estate	486-4166	REMI School of Real Estate	230-8200
Hawaii Academy of Real Estate	808-245-8169	Richard Daggett School of Real Estate	923-0122
Hawaii Association of Realtors	733-7060	Russ Goode Seminars	597-1111
Hawaii CCIM Chapter	528-2246	Seiler School of Real Estate	808-874-3100
Hawaii Institute of Real Estate (HIRE)	561-7653	Servpro Industries Inc.	615-451-0200
Hawaii Island Board of Realtors	808-935-0827	Shari S. Motooka-Higa	457-0156
Hogan School of Real Estate	800-794-1390	The CE Shop, Inc.	888-827-0777
Honolulu Board of Realtors	732-3000	The Seminar Group	206-463-4400
Institute of Real Estate Management (IREM)	800-837-0706	University of Hawaii at Manoa Outreach College	956-8244
Investment Property Exchange Services, Inc.	387-4140	Vitousek Real Estate Schools, Inc.	946-0505

State of Hawaii
Real Estate Commission
King Kalakaua Building
335 Merchant Street, Room 333
Honolulu, HI 96813

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2010 - 2011 Real Estate Commission Meeting Schedule

Laws & Rules Review Committee – 9:00 a.m.
Condominium Review Committee – Upon adjournment of the
Laws & Rules Review Committee Meeting

Education Review Committee – Upon adjournment of the Condominium
Review Committee Meeting, which is upon the adjournment of the Laws
& Rules Review Committee Meeting, which convenes at 9:00 a.m.

Wednesday, October 13, 2010
Wednesday, November 10, 2010
Wednesday, December 8, 2010
Wednesday, January 12, 2011
Wednesday, February 9, 2011
Wednesday, March 9, 2011
Wednesday, April 13, 2011
Wednesday, May 11, 2011
Wednesday, June 8, 2011
Wednesday, July 13, 2011
Wednesday, August 10, 2011
Wednesday, September 7, 2011
Wednesday, October 12, 2011
Wednesday, November 9, 2011
Wednesday, December 7, 2011

Real Estate Commission – 9:00 a.m.

Thursday, October 28, 2010
Wednesday, November 24, 2010
Thursday, December 16, 2010
Thursday, January 27, 2011
Friday, February 25, 2011
Thursday, March 24, 2011
Thursday, April 28, 2011
Friday, May 27, 2011
Thursday, June 23, 2011
Friday, July 29, 2011
Friday, August 26, 2011
Friday, September 23, 2011
Friday, October 28, 2011
Wednesday, November 23, 2011
Friday, December 16, 2011

All meetings will be held in the Queen Liliuokalani Conference Room of the King Kalakaua Building, 335 Merchant Street, First Floor, except the Wednesday, November 10, 2010, committee meetings, which will be held at the Realtors® Association of Maui, 441 Ala Makani, Kahului, Maui.

Meeting dates, locations and times are subject to change without notice. Please visit the Commission's website at www.hawaii.gov/hirec or call the Real Estate Commission Office at (808) 586-2643 to confirm the dates, times and locations of the meetings. This material can be made available to individuals with special needs. Please contact the Executive Officer at (808) 586-2643 to submit your request.